

Ginger Lordus
777 Erhart Road
Arroyo Grande CA
APN: 044-531-073

County of San Luis Obispo
Planning and Building Dept.
976 Osos St Room 300
San Luis Obispo CA 93408

RE: FREEPORT-MCMORAN OIL & GAS
County File #: DRC2015-0002

8/24/2015

To Whom It May Concern,

I am opposed to any expansion, exemptions or proposals related to using ground water fracking and/or lateral drilling of the Pismo Beach Dollie Sands PORT-MCMORAN OIL & GAS project. The value of my property and quality of life is dependent upon clean air and safe water obtained from the local aquifer and free from risk caused by lateral oil drilling at or around my property.

1. The aquifer supplying my well water is at risk of contamination by this project regardless of the safety measures or geological features addressed in various reports.
 - a. There is no guarantee that the geological features won't change as a result of natural or human factors.
 - b. We are in a serious drought, local water quality and quantity is already compromised; fracking is a non-ecological use of water.
2. Language in the PRELIMINARY CONCURRENCE ON THE DOLLIE SANDS OF THE PISMO FORMATION AQUIFER EXEMPTION DOCUMENT from the State and Water Resources Control Board includes **ambiguous** language; Natural disasters, human error, negligence and insufficient fines or lack of legal consequences, or lack of EPA, or other agency monitoring are all possible causes for decreased water quality and decreased property values related to this project. All contaminated water is at risk of entering into the aquifer and local wells from this project.
 - a. Area of **approximately** 1.5 square miles;
 - b. **It appears** that the proposed exemption area does not serve as source of drinking water; Injected fluids are not **expected** to affect quality of water;
 - c. **As long as** the conditions described below **are satisfied** for current and future underground injection control;
 - d. Injected fluids in the proposed exempted area **should also** be contained hydraulically, both vertically and laterally... ;
3. My DEED includes this statement: *Exception therefrom ½ of all oil, gas, hydrocarbon substances, minerals and oil and mineral rights in and under said land, lying below the depth of 500 feet below the surface of said land, but without the right of entry upon the surface of said land, as reserved in a deed recorded March 9, 1959 in book 987 page 189 of official records, in the office of the county recorder of said county.* This project does not:
 - a. specifically address this clause on local homeowner's deeds

- b. address the aquifer's unique and extensive infrastructure that supplies local wells and provides potable water;
- c. provide homeowners with sufficient notification of the direct and indirect drilling consequences within property boundaries;
- d. provide contractual agreements to protect home owner's rights and property values for the duration of this project or for future hazards as a result of current or future practices.

Sincerely,

Ginger Lordus

cc: John McKenzie
San Luis Obispo County Planner
jdmckenzie@co.slo.ca.us

Steven R. Bohlen, State Oil & Gas Supervisor
Department of Conservation
Steven.bohlen@cponsevation.ca.gov

John Martini, Government Affairs Manager
Freeport-McMoRan Oil and Gas LLC
John_martini@fmi.com

Ken Harris, Executive Officer
Central Coast Regional Water Quality Control Board
Ken.harris@waterboards.ca.gov

Pat Abel, district Deputy
Department of Conservation
Division of Oil, Gas & Geothermal Resources
Pat.abel@conservation.ca.gov



RE: DRC2015-00002

John McKenzie to: ginger lordus

Cc: John_martini, Ken.harris, Pat.abel, Steven.bohlen

Bcc: Steve McMasters

08/25/2015 02:52 PM

Dear Ms. Lordus,

Thank you for your letter of concern as it relates to the proposed extension of time to allow the drilling of previously approved wells at the Arroyo Grande oil field (DRC2015-00002). Your letter will be forwarded to the Planning Commission prior to their 9/10 hearing on this item.

To clarify a few aspects of the existing oil operation I offer the following :

- The current extraction process does not use 'fracking' as a part of its operation, nor does it intend to in the future;
- Oil extraction is currently allowed only within the approved DOGGR designation (see map).
- Well bore holes are generally vertical with some minor directional drilling (but staying within the designated field) to allow a concentration of wellheads on the surface and reducing impacts to the surface features, habitat and wildlife.

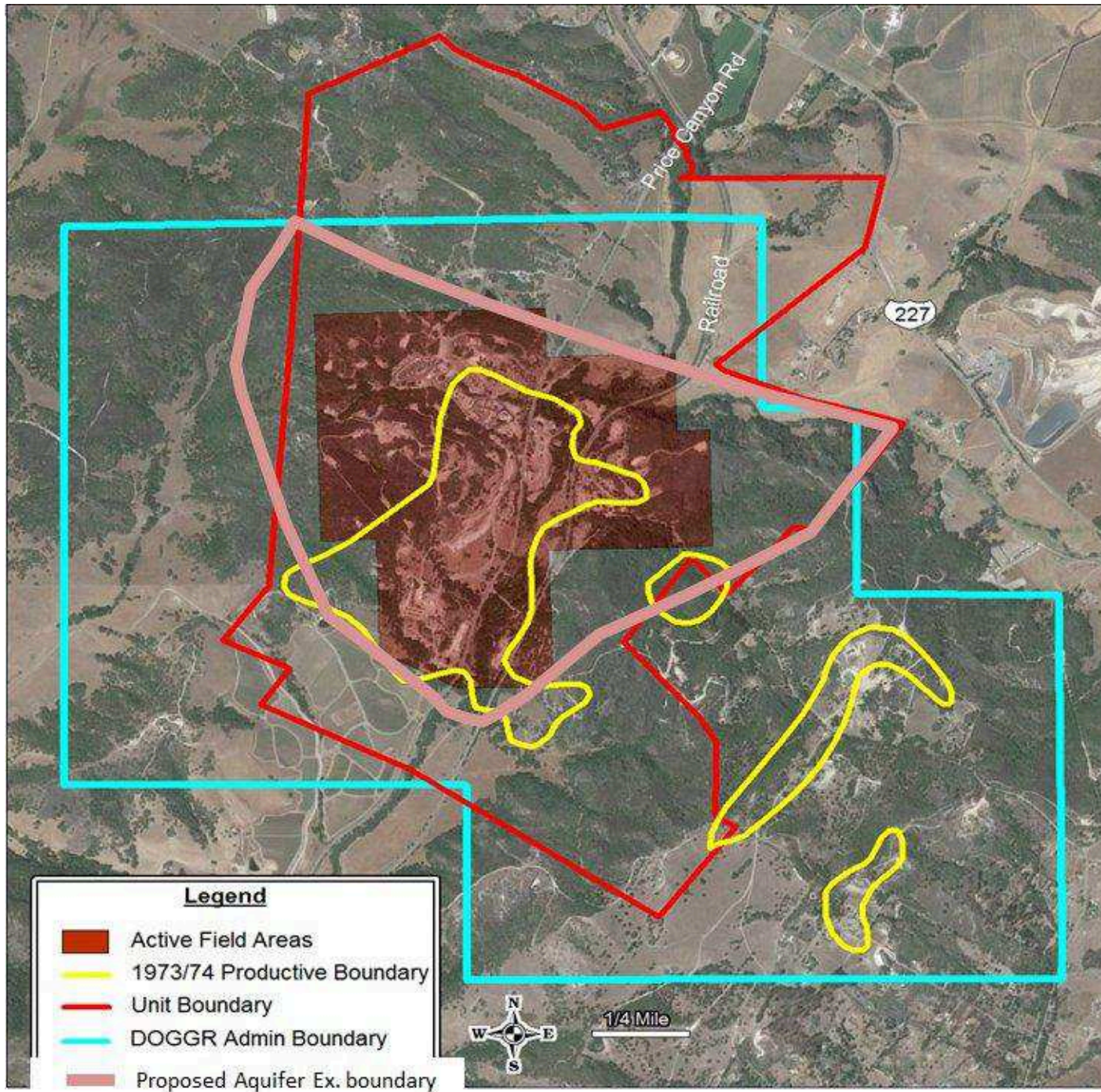
As your letter is alluding to, the California Department of Oil, Gas and Geothermal Resources (DOGGR) is working with the State Water Resources Control Board and the US Environmental Protection Agency to modify the existing aquifer exemption area (yellow lines on graphic below) to more accurately reflect the actual active oil field area (salmon line). If this boundary change is approved, this will be the limit to which the existing oil field operator can drill. It is important to note that USEPA applies a broad definition to the term 'aquifer' where it includes any underground geological formation or group of formations that contain water. Oil reservoirs that contain associated water are considered aquifers under this definition, even though they are not considered potable water sources. As you may know, DOGGRs is soliciting public comment about this change (see attachment).

The active oil field and proposed new exemption boundary is at least 1-1/4 miles from your property. The closest exempted area under the existing mapped areas is about 1/2 mile away (however the two southeastern 'blobs' are outside of Freeport-McMoRan (FMO&G) control or ownership and do not include any active oil well development. Neither the proposed extension of time for the existing oil field or the proposed oil formation (aquifer) exemption changes will have a direct impact to your lands or your mineral rights.

Let me know if you have further questions.

John McKenzie
Senior Planner
SLO County Planning & Building Department
976 Osos St. - Rm 200, San Luis Obispo, CA 93408
805/781-5452
FAX 805/788-2413
www.sloplanning.org





1 attachment



Arroyo Grande AE Hearing Notice.pdf

"ginger lordus"

Please see attached letter and Grant Deed

08/25/2015 07:02:40 AM

From: "ginger lordus" <ginger@livingmastery.com>
To: <jdmckenzie@co.slo.ca.us>, <Steven.bohlen@cponsevation.ca.gov>, <John_martini@fmi.com>, <Ken.harris@waterboards.ca.gov>, <Pat.abel@conservation.ca.gov>
Date: 08/25/2015 07:02 AM
Subject: RE: DRC2015-00002

Please see attached letter and Grant Deed

Sincerely,

Ginger Lordus[attachment "Lordus Grant Deed Oil Rights.pdf" deleted by John McKenzie/Planning/COSLO] [attachment "Lordus County letter 8.24.docx" deleted by John McKenzie/Planning/COSLO]

Dear Supervisor Hill,

Those of us near the oil fields of Price Canyon are very concerned with the actions and requests being taken by Phillips 66 and Freeport McMoran as of late. We fear for our wells and water quality due to the aquifer expansion proposal, the request for a 3 yr. extension to build more wells, and the proposal for Class II injection fluids into the designated area. We would very much appreciate your help in voicing concern to the appropriate agencies.

Attached is the Notice of Planning Commission Hearing to consider a request by FREEPORT-MCMORAN OIL & GAS for a Conditional Use Permit (CUP) to extend the amount of time allowed (3 additional years) to drill the previously approved Phase IV oil wells in Price Canyon.

When: September 10, @ 9:00 AM
Where: SLO County Board of Supervisors Chambers
1055 Monterey St. Rm D170, SLO

AND

The notification of a meeting before the Dept. of Conservation regarding the current aquifer expansion and proposal for Class II injection fluids into area.

When: Septemeber 21, 2015 @ 4-7PM
Where; Courtyard Marriott, San Luis Obispo

Thank you,
Trish Wilson
District 3 constituent

Dear Mr. McKenzie ,

I am writing in regard to the 3 year extension request by Freeport McMoran. In the documents provided, it is stated:

"The Environmental Coordinator found that the previously certified Final Environmental Impact Report (FEIR) is adequate for the purposes of compliance with CEQA because no substantial changes are proposed in the project which will require major revision of the previously certified FEIR, no substantial changes occur with respect to the circumstance under which the project is undertaken which will require major revision of the previously certified FEIR, and no new information of substantial importance has been identified which was not known at the time that the previous FEIR was certified."

I have to question the statements that in the years since the FEIR no new information has been identified. We are currently in an historic drought of major proportions. All of the neighbors in the area of the Price Canyon oil fields are on private or semi-private/shared wells. Water is vitally important to our lives, and we are solely responsible for our wells.

Along with the drought that was not a factor 10 years ago is new evidence concerning earthquakes and fracking. Freeport Mc Mahon plans on injecting Class II fluids into the designated area, which potentially can cause earthquakes along one of the existing faults.

I respectfully request the Planning Dept. to deny this extension in the interest of citizens' health, homes, and well being.

Thank you,
Patricia Wilson
Arroyo Grande

Dear Ms. Wilson,

Thank you for your letter of concern. It has been forwarded to the Planning Commission for their consideration.

The oil formation is not connected to a potable source of water. As you may know, the oil formation from which the oil extracted includes a large percentage of water. In its natural state this oil formation water is not potable. It is extracted with the crude oil where it is then separated from the oil. The applicants have installed a water reclamation plant that processes about 50,000 barrels a day (2.1 million gallons) of this extracted water. Of this 50,000, 20,000 barrels are used for steam injection back into the formation, 20,000 barrels of the treated water is released to Pismo Creek which recharges into the Creek's aquifer (this surface water release has been reviewed and permitted by the Regional Water Quality Control Board), and the remaining 10,000 barrels is injected back into the oil formation as waste. This process results in a daily net gain of about 840,000 gallons or over 2.5 acre feet of water being recharged into the creek for downstream users.

With regards to hydraulic fracturing, or fracking, the formation from which the oil is being extracted is contained within a sand substrate which is already in a fully fractured state. Therefore, there never has been nor will there be any fracking conducted within this formation to extract more oil. In reviewing the USGS website for historic earthquakes over the last 100 years with a magnitude 3.0 or larger, one earthquake in 1982 with a magnitude of 3.4 was registered within the oil field boundaries. Given that there has been only one small earthquake that occurred over 30 years ago, the County does not believe the current operation will induce or contribute to the occurrence of earthquakes in the area.

Please let me know if you have additional questions.

John McKenzie
Senior Planner
SLO County Planning & Building Department
976 Osos St. - Rm 200, San Luis Obispo, CA 93408
805/781-5452
FAX 805/788-2413
www.sloplanning.org



Dear John McKenzie, Senior Planner, County of San Luis Obispo:

Please submit this email as public comment.

My biggest concerns are earthquakes and water pollution inherent in “well stimulation” operations, particularly in light of the aging nuclear plant nearby.

Rather than extending the license on expiring wells, put all the wells on the same schedule. This is more efficient and much safer than allowing old wells to continue operating without relevant, updated EIRs.

Thank you,
Terre Dunivant

----- |||| ----- |||| ----- |||| ----- |||| -----
Terre Dunivant
2647 Lawton Avenue
San Luis Obispo, California
(805) 704-5433



**RE: 9/10/15 meeting, Agenda item #4 - Freeport-McMoran CUP
(DRC2015-00002)**

Santa Lucia Chapter of the Sierra Club

To: rhedges

09/08/2015 02:05 PM

1 attachment



image001.png



Santa Lucia Chapter
P.O. Box 15755
San Luis Obispo, CA 93406
(805) 543-8717
www.santalucia.sierraclub.org

September 8, 2015

RE: 9/10/15 meeting, Agenda item #4 - Freeport-McMoran CUP (DRC2015-00002)

Dear Commissioners,

The request by Freeport-McMoran Oil & Gas for an amendment to their ten-year-old Conditional Use Permit (CUP) so as to extend by three years the amount of time allowed to drill previously approved Phase IV oil wells is a textbook example of the reason why land use permits have expiration dates.

Permits inevitably go stale because conditions change on the ground. The change in the regulatory environment in which the initial CUP was granted could be characterized as a drastic upheaval, noting the scandal that has enveloped DOGGR since last February for allowing the historic and ongoing contamination of aquifers by oil drilling operations during a severe drought. The Price Canyon oilfield injection zone is one of the non-exempt, non-hydrocarbon bearing aquifers in which DOGGR been discovered to be permitting wastewater disposal despite explicit warnings from the EPA against doing so.

An updated environmental review is called for in order to eliminate ambiguity in the assessment of the potential connections between the aquifer underlying the Price Canyon oil field and current or potential water sources underlying Arroyo Grande and Pismo Beach. An example of further ambiguity in need of elimination is indicated in the Phase V Initial Study, wherein the applicant will be required to “install a water treatment system to treat some of the produced water to tertiary levels. Additional information has been requested of the applicant to identify if this water can or will be used for some of the proposed water consuming activities.” [Emphasis added.]

Clearly, just as the County should have this information in hand before Phase V construction commences, it should have this information before it allows another 31 Phase IV wells to be installed, rather than simply extending a decade-old permit. The County should incorporate all wells or steam generators not yet completed under the Phase IV CUP into the Draft EIR for the Phase V Oil Field Expansion.

Thank you for your attention to these issues.

Andrew Christie, Chapter Director



Fw: Sept 10th FREEPORT Time Extension Request

John McKenzie to: Ramona Hedges, Nicole Retana

09/09/2015 12:38 PM

Ramona,

Please add this correspondence to the Freeport item at PC tomorrow and send to Commissioners. Thank you.

John McKenzie
Senior Planner
SLO County Planning & Building Department
976 Osos St. - Rm 200, San Luis Obispo, CA 93408
805/781-5452
FAX 805/788-2413
www.sloplanning.org



----- Forwarded by John McKenzie/Planning/COSLO on 09/09/2015 12:33 PM -----

From: <dave@watsonplanning.us>
To: jdmckenzie@co.slo.ca.us
Date: 09/09/2015 12:22 PM
Subject: RE: Sept 10th FREEPORT Time Extension Request

Thank you John:

Based on your materials and our conversation, I've developed the attached correspondence to the Planning Commission for tomorrow. Would you be able to provide this to the Commissioners for me, or should I bring copies to the meeting tomorrow?

I'm sending this along in advance to allow you time to review and consider your reply.

Your consideration and time, and that of the Commission, is sincerely appreciated.

Please don't hesitate to contact me if you have any questions I can clarify/address.

Thank you again,
David Watson, AICP
WATSON PLANNING CONSULTANTS
Post Office Box 385
Pismo Beach, California 93448-0385
Tel: 805.704.8728
Em: dave@watsonplanning.us
Em: planningconsults@aol.com
Website: www.watsonplanning.us

----- Original Message -----

Subject: Re: Sept 10th FREEPORT Time Extension Request

From: jdmckenzie@co.slo.ca.us

Date: Tue, September 08, 2015 1:16 pm

To: <dave@watsonplanning.us>

Hi Dave,

As we discussed, here is a Sentry well graphic and the latest annual report. Let me know if you have any further questions.

John McKenzie
Senior Planner
SLO County Planning & Building Department
976 Osos St. - Rm 200, San Luis Obispo, CA 93408
805/781-5452
FAX 805/788-2413
www.sloplanning.org

(Embedded image moved to file: pic24778.gif)
(See attached file: SentryWellMap.jpg)(See attached file: FMOG AG Sentry
2014 Annual Rpt 012015.pdf)

From: <dave@watsonplanning.us>
To: jdmckenzie@co.slo.ca.us
Date: 09/08/2015 11:02 AM
Subject: Sept 10th FREEPORT Time Extension Request

Good Morning John:

I believe you are aware that I represent the south-southwesterly property owner adjoining the Freeport McMoRan O&G property. We have participated on our client's behalf in past comments, EIR and hearing processes regarding the former PXP operations, and now FMO&G's.

I'm writing you in an effort to discuss and/or meet with you regarding some questions we have that might be better addressed prior to the Thursday PC hearing.

Our primary concern is that the oil operations (primarily steam and produced water injection) do not impact our groundwater supplies, and to a lesser extent the visual/aesthetic qualities from our adjoining property. I believe you are aware that our property and projects - a functioning vineyard and the planned/approved 16 residential sites composing Tract 2388, abut and in some cases are overlaid by the oil extraction and aquifer issues.

In reviewing your staff report it is clear that FMO&G are simply asking to extend their 2005 approval condition(s) related to the timeline to complete Phase IV. What is not clear from your report, and of greatest concern, is the apparent disconnect between the number of wells developed outside of State-Federally approved permits.

You indicate that there is no new information (or "changed circumstances") of importance when the 2004-2005 EIRs were certified. To this we would ask you:

(1) how the absence of permits to drill up to 90 wells outside the approved 1982 aquifer exemption boundary meets with your 2005 approval?;

(2) whether there are records of your 2005 approval COAs requiring protocols and mitigation monitoring?;

(3) how the parallel application to expand the aquifer exemption is not significant new information? (if not piecemeal processing);

(4) whether you seem to be willing to allow these 90 wells (and in particular the 8 functioning produced/disposal well should continue to operate while the DOGGR process runs independently of the County;

(5) the extent to which an expanded aquifer exemption otherwise not considered in your 2004-2005 EIRs can be considered in 2015 w/o any environmental analysis?;

(6) whether the SWRCB and RWQCB's recommended COA's as reflected in their undated [2015] letter to DOGGR should be incorporated as COAs of your Time Extension?;

(7) clear graphics as a part of the FMO&G request reflecting the 90 wells installed outside the 1982 aquifer exemption, and to the extent that the 2015 proposed exemption can also be overlaid on this exhibit, the extent to which these areas encroach into my client's property at Tract 2388?

Tract 2388 abutting the oil and disposal fields draws their water exclusively from an underground water aquifer, and we want to be assured that the FMO&G request now appropriately incorporates monitoring and sentry well safeguards that are well defined and implemented by the applicant with rigorous County oversight.

We also believe that the "buffer" advocated by the SWRCB and RWQCB would be appropriate in insuring this development does not encroach too closely to our property.

My clients are generally supportive of the continued oil operations insofar as essential safeguards are in place and verified to be working as intended.

I'm available to meet and/or discuss this with you prior to Thursday's hearing. My preference is to address these matters in a mutually acceptable fashion as a part of any time extension granted.

Thank you for your time and reply,

David Watson, AICP
WATSON PLANNING CONSULTANTS
Post Office Box 385
Pismo Beach, California 93448-0385
Tel: 805.704.8728
Em: dave@watsonplanning.us
Em: planningconsults@aol.com
Website: www.watsonplanning.us

[attachment "top.letterhead" deleted by John McKenzie/Planning/COSLO]



top.letterhead FREEPORT-PXP CountyTimeExtenComments 09-10-2015.pdf



*Land Use Planning and Real Estate Development
Solutions and Services Since 1989*

Post Office Box 385
Pismo Beach, California 93448
Telephone 805.704.8728
www.WatsonPlanning.us
Dave@WatsonPlanning.us
PlanningConsults@aol.com

September 10, 2015

**Chair Topping and Commissioners
SAN LUIS OBISPO COUNTY PLANNING COMMISSION**

via Mr. John McKenzie
PLANNING and BUILDING DEPARTMENT
County of San Luis Obispo
976 Osos Street, Room 300
San Luis Obispo, California 93408

**Re: Comments Concerning September 10, 2015 Staff Report and CUP Consideration -
Freeport-McMoRan (formerly PXP)
Conditional Use Permit No. DRC 2015-00002
for Time Extension and Permit Condition Modification for
Expansion of Phase V Oil Well Operations – 1821 Price Canyon Road**

Chairman Topping and Commissioners:

Please accept this letter on behalf of my clients, the owners of the property adjoining and to the immediate southwest of the Freeport-McMoRan Oil and Gas (FMO&G) property at 1821 Price Canyon Road.

My clients own and operate the 550 acre vineyard and residential property (1504 Price Canyon Road) known as Tract 2388, aka VRE North Spanish Springs LLC, c/o Henry Warshaw, President, Ocala First Corporation, Inc., Managing Member.

This letter expresses our concerns regarding the disposal of produced and treated wastewater as an integral part of FMO&G extraction permits.

As we understand the present County application, FMO&G are seeking a Time Extension (vis-à-vis an amendment to their CUP) to allow Phase IV approvals to be extended an 3 additional years. What is of concern to us is this Time Extension would allow continued operation of as many as 90 wells constructed outside a State-Federal approved "aquifer exemption determination" from 1974, which we believe are therefore in violation of the County's 2005 approvals for well development that was conditioned to provide "other needed [regulatory] permits prior to County-approved construction".

Freeport (and before them PXP) have been good neighbors, and it is not our desire to have their operations curtailed or denied. Instead, it is our desire that the Planning Commission reconcile your action on this request to a parallel application to the State by FMO&G to expand the “aquifer exemption” currently in place by what we calculate is ~ 300%.

The attached exhibits attempt to reflect my client’s property in relation to the FMO&G property, and the proposed expanded “aquifer exemption” area.

In this context, our concerns revolve around:

- Protecting North Spanish Springs/Tract 2388’s underground water supply from migration of produced and/or treated wastewater from the FMO&G site; and, 2
- Establishing setbacks along our common property line from any injection wells, consistent with State and Regional Water Control Board recommendations in the “aquifer exemption” staff memorandum you’ve received in your packets.

We would respectfully request that if the Planning Commission is inclined to approve the Time Extension-CUP Amendment before DOGGR action on an expanded “aquifer exemption”, that another Condition of Approval be created to the following effect:

New COA: “Construction and operation of disposal wells for produced and wastewater byproducts within the expanded “aquifer exemption” area under DOGGR consideration in 2015 shall be set back a minimum of 200’ from the adjoining Tract 2388 property. Such disposal wells shall be limited to disposal of treated (Reverse Osmosis) water from FMO&G’s on-site facility. Monitoring within the expanded “aquifer exemption” area shall be implemented consistent with (2005) COAs No. 6, 29 and 36, and through the use of sentry wells along the common property boundary.”

We appreciate the opportunity to raise these questions for study in the EIR. Please do not hesitate to contact me if there are any additional clarifications you need from us. I would appreciate being placed on your permanent notification list for this EIR/project.

Sincerely,

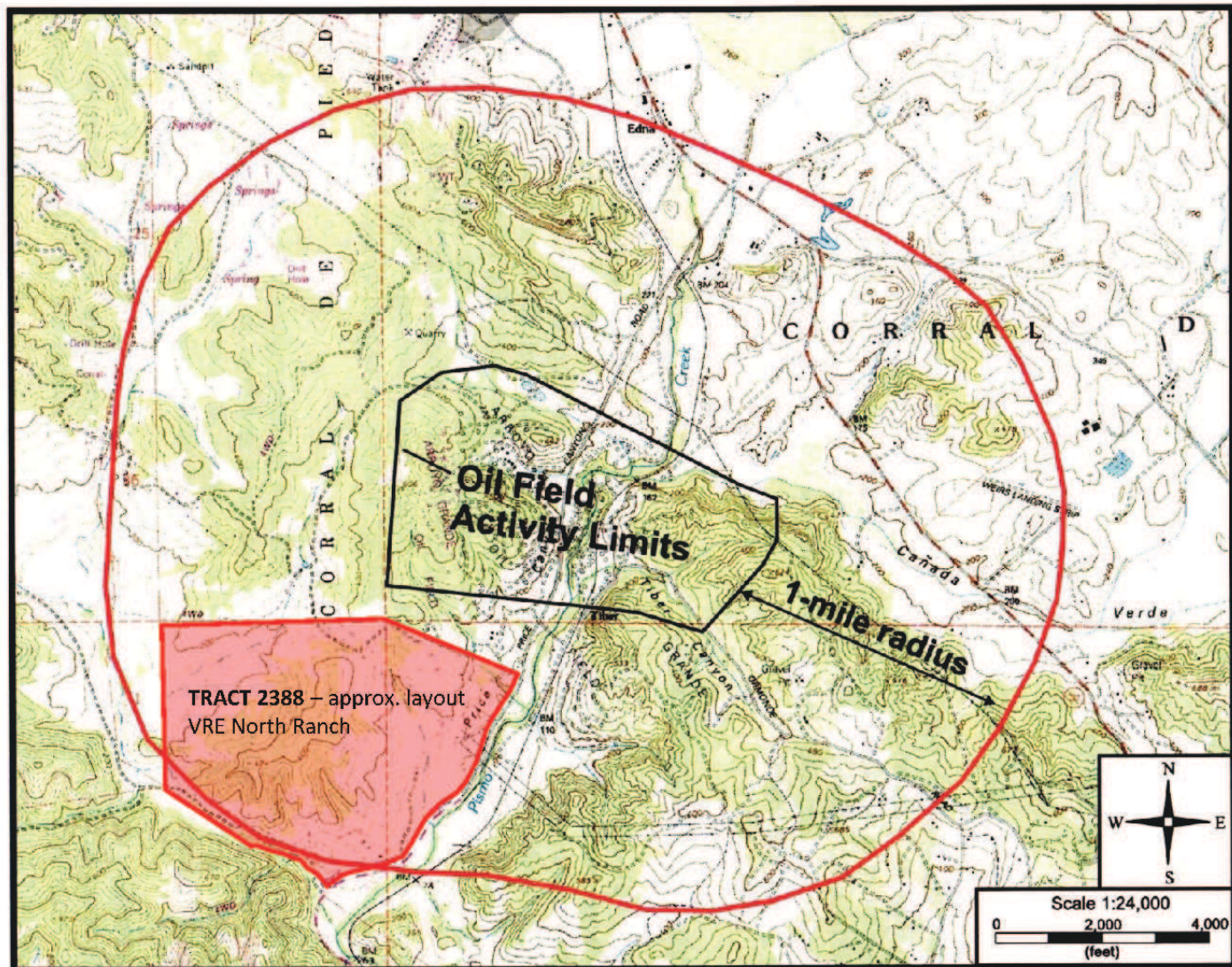


David Watson, AICP

WATSON PLANNING CONSULTANTS

cc: Henry Warshaw, VRE

VICINITY MAP – Relation Between VRE North Ranch and Freeport McMoRan Oil Field and Proposed Aquifer Exemption Application 2015



Map modified from Pismo Beach (1994) and Arroyo Grande NE (1995) Quadrangle, USGS 7.5 minute topographic map, San Luis Obispo County, California.

Explanation

 Study Area Boundary

Figure 1
Study Area
Well Completion Report Review
Freeport-McMoRan Oil & Gas

Cleath-Harris Geologists

APPLICATION BLOW-UP MAP –

Comparisons of
Existing Exemption Area (1974)

Expanded Exemption Area (2015)

Proposed Aquifer Exemption
Application 2015

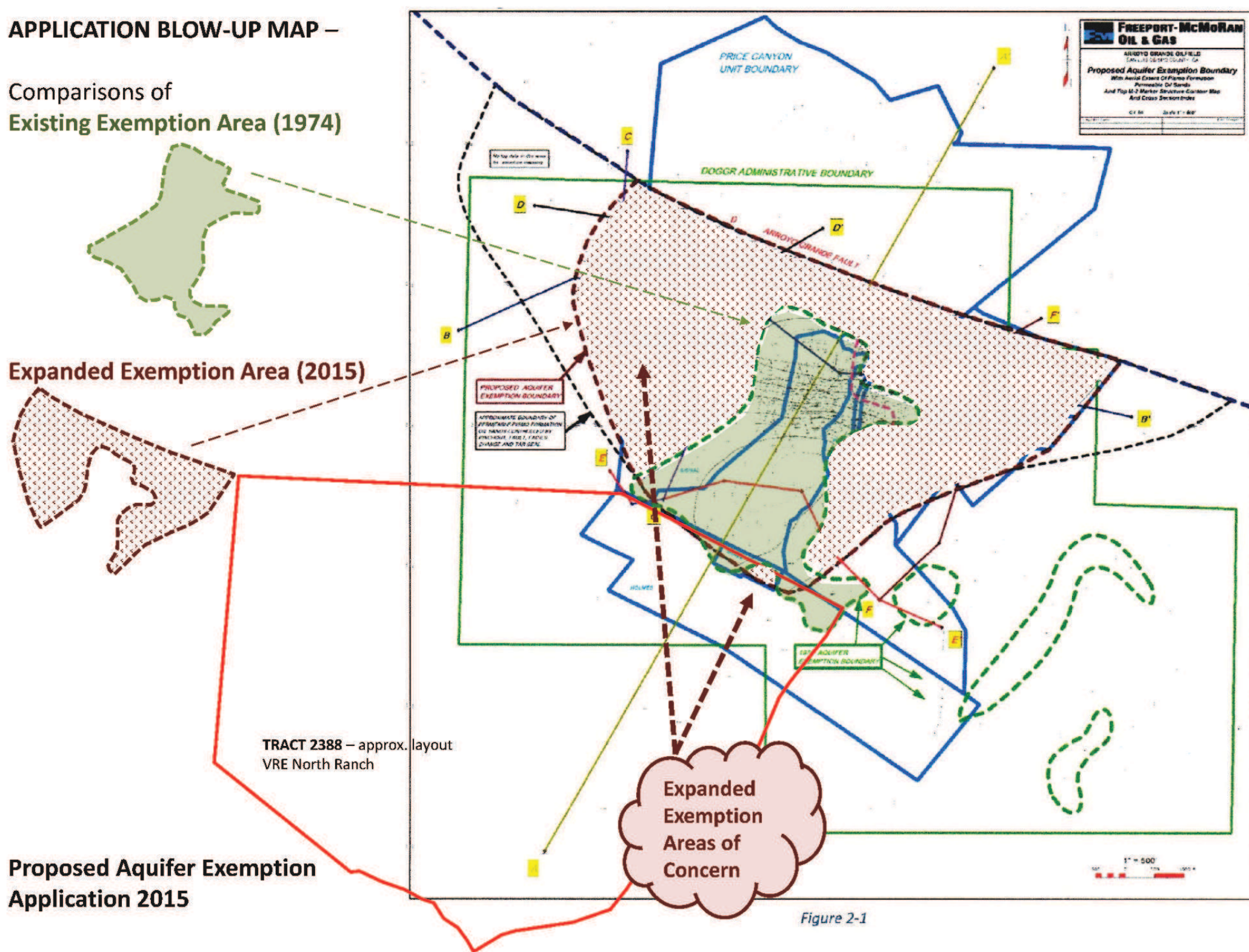


Figure 2-1